

INSTRUCTIONS AND DUTIES OF AN EXECUTOR OR ADMINISTRATOR (FIDUCIARY) OF A DECEDENT'S ESTATE

**IT IS IMPORTANT THAT YOU READ THIS INSTRUCTION PACKET
AND THE RELEVANT SECTIONS OF THE VIRGINIA CODE
YOU WILL BE HELD ACCOUNTABLE
FOR ALL INFORMATION SET FORTH HEREIN**

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These Instructions and Duties of an Executor/Administrator (Fiduciary*) of a Decedent's Estate were prepared by Melinda Hetzel, the Commissioner of Accounts of the County of Loudoun ("Commissioner"), and the Loudoun County Circuit Court Clerk's Probate Department to assist you in performing the duties you have as fiduciary. These instructions address only the most commonly asked procedural questions. For a comprehensive statement of your fiduciary duties and responsibilities, please refer to the Virginia Code § 64.1-1001 *et seq.*

Ms. Hetzel is an attorney at law who was appointed by the Circuit Court of the County of Loudoun, Virginia, pursuant to Virginia Code § 64.2-1200; not an employee of the Commonwealth of Virginia or the County of Loudoun. Ms. Hetzel and her staff welcome any questions you have concerning these instructions, via email, to the address below, or, any member of the public is welcome to attend Ms. Hetzel's monthly public outreach meetings. For specific dates and times, please see the "Commissioner of Accounts Public Seminars Schedule," which can be found on line at www.loudoun.gov/probate.

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***A Fiduciary is a person who has control over another's property/estate; this term is used herein, to refer to an Executor and/or an Administrator of an estate.**

Definitions of other key probate terms can be found at www.loudoun.gov/probate, "Decedent's Estates," "General Probate Information."

PENALTIES & BOND

Penalties assessed against the fiduciary personally - The Code of Virginia provides for certain penalties if a fiduciary does not properly administer an estate in a timely manner. The following penalties are assessed against the fiduciary personally and may NOT be paid from estate funds.

1. **\$30 Late Letter Fee** – Charged when a letter must be prepared and sent to a fiduciary that fails to file an inventory, accounting or supporting documentation in a timely manner.
2. **\$85 Summons** – Charged when a Summons must be prepared and served on a fiduciary that fails to respond to a request for information from the Commissioner.
3. **\$165 Report** – Charged when a Report must be prepared and filed with the Court advising that a fiduciary has failed to properly administer an estate.
4. **\$220 Court Appearance** – Charged when the Commissioner has to appear in court to address the fiduciary’s failure to properly administer the estate.

NOTES: Virginia Code § 64.2-1217 states that any fiduciary that fails to settle his/her account in a “timely manner” shall forfeit their compensation unless good cause can be shown for the delay.

Virginia Code § 64.2-1216 states that any Personal Representative who is a practicing attorney at law and fails to respond to a summons shall be reported to the Virginia State Bar.

Change of Address – Virginia Code § 64.2-1409 requires all fiduciaries to report a change of address or phone number to the Clerk of the Circuit Court and the Commissioner within thirty (30) days of the date of the change(s). Any fiduciary who fails to provide said notice shall be subject to a civil penalty of \$50.

Bond – At the time of qualification, each fiduciary must sign a bond contract that represents the amount for which he or she may be personally liable if an estate is improperly administered. The Probate Department determines the amount of each bond, and whether the bond must be secured or unsecured, in accordance with Virginia Code § 64.2-504. If secured, the fiduciary must obtain a corporate surety that agrees to pay monies into the Court if a fiduciary breaches his or her duties.

Bond Increase – If the value of the assets under a fiduciary’s control exceed the amount of the existing bond, the Probate Department will send a letter directing the fiduciary to obtain a new bond. If the bond is not obtained by the date provided, a fiduciary’s powers may be revoked.

Bond Reduction – If the assets under the fiduciary’s control are less than the existing bond, a written bond reduction request may be made to the Probate Department. However, such a request can only be made after an inventory or accounting has been approved by the Commissioner reflecting the lower asset value.

OVERVIEW

For each estate the fiduciary must file an inventory of the decedent's assets with the Commissioner's office within 4 months from qualification. The first account, reflecting the administration of said assets from the date of death through 12 months from qualification, must be filed no later than 16 months from qualification. Thereafter, accounts are due annually based upon the qualification date and the filing date may not be changed. Please see the attached Estate Administration Checklist (Exhibit A).

A. AFFIDAVIT OF NOTICE

1. Virginia Code § 64.2-508 (A-D) requires that a fiduciary give written notice of probate to certain individuals within 30 days of qualification. Within 4 months of qualification, a fiduciary must file an affidavit with the Probate Department confirming that said notice(s) were sent. The notice(s) advises certain individuals that an estate has been probated and the right to obtain copies of certain documents.

2. The Commissioner cannot approve any inventory or account until the affidavit of notice is filed (Virginia Code § 64.2-1215).

EXAMPLE OF FILING TIMELINE:

11/11/16	Date of death
1/1/2017	Qualification date
2/1/2017	Notice of probate to certain individuals
5/1/2017	Affidavit of Notice filed with the probate office
5/1/2017	Inventory due
5/1/2018	1 st Account covering 11/11/16 to 12/31/17
5/1/2019	2 nd Account covering 1/1/18 to 12/31/18
5/1/2020	Subsequent accounts due at same time each year

B. IDENTIFYING ASSETS

1. Real Property vs. personal property

- a. Real and personal property are subject to different rules of administration.
- b. Title to real property vests in the devisee (if will) or heir at law (if no will) immediately upon the death of the decedent.
- c. Title to personal property vests in the fiduciary for distribution to devisee/heir or, if necessary, to pay debt.

2. Power of Sale of real property

- a. A fiduciary may only sell real property if the testator directs the same in the will, or, the Court, via Court Order, grants the fiduciary the power of sale.
- b. If a fiduciary has the power of sale, but no direction to sell, the real property passes to the devisee/heir, subject only to divestiture should the fiduciary exercise the power of sale.
- c. If a fiduciary has the power of sale, but no direction to sell, the Commissioner will not compel the fiduciary to exercise the power of sale to satisfy general creditors.
- d. Any time the devisee/heir at law is entitled to use the real property as his or her own, even if temporarily, ***that individual becomes personally liable for all costs associated with said real property.***
- e. If the fiduciary is granted the power of sale but is not going to exercise the power, the real property may be shown as “distributed” to the named devisee/heir at law on the 1st account with a notation that the fiduciary does not intend to sell the real property.
- f. If the fiduciary is expressly directed to sell the real property, the real property is effectively devised to the fiduciary and it is the duty of the fiduciary to provide the necessary upkeep and maintenance of the property to preserve the asset, until it is sold. The fiduciary may use a reasonable amount of funds from the estate to do so. The proceeds from the sale of the real property may be used to satisfy creditors.

NOTE: A fiduciary is NOT PERMITTED COMPENSATION based upon the value of the real property unless the fiduciary is directed to sell the property by the testator or the Court.

C. POSSESSION OF ASSETS: The fiduciary should immediately take possession of all estate assets including, but not limited to, motor vehicles, bank accounts, brokerage accounts, stocks, bonds, notes, business interests, and real property and/or take all measures necessary to safeguard said assets and protect them from waste. A fiduciary may be held personally liable if assets are not properly safeguarded.

D. TAXES - Prior to closing an estate, all taxes due from the estate and the decedent must be satisfied including, but not limited to: 1) probate taxes due to the Clerk of the Circuit Court; 2) decedent’s individual federal and state income taxes; 3) federal estate taxes; 4) federal and state estate income taxes; and, 5) individual personal property tax and business taxes.

State taxes: [Virginia Department of Taxation](http://www.tax.virginia.gov) - www.tax.virginia.gov - 804-367-8031

Federal taxes: [Internal Revenue Service](http://www.irs.gov) – www.irs.gov - 800-829-3676

INVENTORY FOR DECEDENT'S ESTATE

The inventory is the initial document to be filed with the Commissioner and is due 4 months after the date of qualification. The inventory must set forth all estate assets over which the fiduciary can exercise control, including, but not limited to, bank checking/savings accounts, certificates of deposit, investment accounts, automobiles, jewelry, household furnishings, real property, limited liability partnerships, etc.

The inventory form can be found at www.loudoun.gov/clerk/probate. Please note that you may not be able to save your work online.

A. VALUATION OF ASSETS

1. Use the fair market value of each asset ***as of the decedent's date of death***, not the date the inventory is prepared or filed.
2. Estimated values are acceptable for ordinary household and personal goods. Estimates should be based on the value at which the items would be sold, as is, not their replacement values.
3. Real property may be valued based on a recent tax assessment or the appraised value can be used if an appraisal was completed within 6 months of the date of death.
4. Each asset should be listed at its gross value without reduction for any debt, mortgage or lien.
5. Reasonable expenses incurred to value assets, such as appraisals, are properly payable with estate funds.

B. INVENTORY CONTENT

Part 1. Decedent's personal estate; tangible and intangible

- a. Household/personal items - Items worth more than \$500 a piece, or those specifically devised in the Will, must be listed separately. Items worth less than \$500 (per item) can be grouped together.
- c. Un-cashed checks should be listed separately.
- d. Motor vehicles, boats, and personal watercraft should be listed by year, make, and model.
- e. Checking, savings, certificates of deposit, and other accounts should include the bank name, account type, account number (last 4 digits), any accrued interest, and the maturity date.
- f. Stocks, mutual funds, equities, and similar investments must be listed separately and include name of stock/equity, number of shares, percentage of ownership, price per share and total value.

- g. Bonds and promissory notes must include the account number (last 4 digits), issuer's name, face amount, interest rate, and maturity date.
- h. Partnerships or limited liability companies. For a sole proprietorship, which is not a separate entity but rather an accumulation of assets used in a business, list each asset on the inventory, except for real estate that should be listed in Parts 3, 4, or 5 of the Inventory.
- i. Assets for which the market value cannot be obtained, such as stock in closely held corporations or legal claims against others, an estimated value, if known, or nominal value of \$1, may be used until the fair market value is established.

Part 2. Multiple Party Accounts and Certificates of Deposit

- a. Joint with right-of-survivorship or "pay on death" accounts, in which the funds are paid to the surviving joint account holder upon the decedent's death. The account origination document should denote the account type. If that form cannot be located, Virginia law presumes that all joint accounts, that do not indicate otherwise, are with right of survivorship. List bank name, account number (last 4 digits) and joint account holder.
- b. The decedent's interest in a joint account with no right-of-survivorship should be listed in **Part 1** of the inventory. The decedent and joint account holder's interests will be determined based on the net contributions made by each. If the joint account holders are married, each will be presumed to own one half (50%) of the total amount on deposit at the time of death. List bank name, account number (last 4 digits) and percentage of the value.

Part 3. Decedent's Real Property in VA, over which a fiduciary HAS power of sale.

- a. Power of sale may be expressly set forth in the will, incorporated in the will via powers enumerated in Virginia Code § 64.2-105, or granted by Court Order.
- b. The property must be listed by address or tax map ID number and the tax assessed or appraised value provided.
- c. Do NOT include any real property held by right-of-survivorship with another, or in a living trust.

Part 4. Decedent’s Real Property in VA, over a which fiduciary DOES NOT have the power of sale. Property over which the fiduciary has no power of sale. The property must be listed by address or tax map ID number and the tax assessed or appraised value provided.

Part 5. Decedent’s Non-Virginia Real Property. Property located outside of Virginia. The property must be listed by address or tax map ID number and the tax assessed or appraised value provided.

SAMPLE INVENTORY ENTRIES

Misc. Personal items	\$ 200
Diamond Ring (worth ≤ \$500)	\$ 2,000
Misc. Household furnishings	\$ 500
China Cabinet (worth ≤ \$500)	\$ 750
Grandfather clock (Article 1 Will)	\$ 355
2008 Volvo XZ90	\$ 9,000
Cardinal Bank Checking Acct #1234	\$ 450
Apple CD #124 2.5% int. – matures 1/18	\$ 5,000
25 Shares XYZ Corp @\$100 per share	\$ 2,500
ABC Family Partnership – value unknown	\$ 1
XYZ Bond, 6.75% int., matures 1/18	\$ 5,000
4 Cornwall Street, NE, Leesburg VA	\$250,000

C. CERTIFICATE OF ACCURACY AND COMPLETENESS. A fiduciary is required to send a copy of the inventory to any person that has submitted a written request therefore prior to the time the inventory is filed with the Commissioner. If a written request has been made, the fiduciary must check block “A”, affirming that a copy of the Inventory was sent and list the name and address of each recipient on page 4.

INVENTORY CHECKLIST – PLEASE USE AND FILE WITH THE INVENTORY (EXHIBIT B).

D. AMENDED INVENTORY - If, after filing the initial inventory, additional assets are discovered, or the original inventory contained errors that increase the total estate value by more than \$25,000, an Amended Inventory must be filed within 4 months from the date of discovery of the additional assets or the discrepancy. However, if the after-discovered asset(s) or error(s) are less than \$25,000, adjustment(s) may be made on the account.

ACCOUNT FOR DECEDENT'S ESTATE

A. OVERVIEW - A fiduciary is required by law to file a 1st account with the Commissioner within 16 months after the date of qualification. The 1st account should begin with the date of death and end 12 months from the date of qualification. When applicable, second and subsequent accountings are due 16 months after the end date of the prior account and should not cover more than a 12-month period.

EXAMPLE:

Date of death: April 1, 2015

Date of Qualification: May 30, 2015

First Account dates: April 1, 2015 – May 30, 2016

Second Account dates: June 1, 2016 – May 30, 2017

An account can be prepared using the assets' carrying or fair market values. If using carrying values, the assets are valued using their value at death or the date of purchase, if purchased after death (i.e. Amazon stock valued or purchased for \$150, remains valued at \$150 until the date of distribution). Unrealized gains and losses due to market fluctuations, are not reported; although relevant for fiduciary and filing fees, they are not relevant to account reporting.

An account prepared based on the assets' market values must reflect all unrealized gains or losses during the accounting period (i.e. Amazon stock valued or purchased for \$150, may be worth \$200 at the end of an accounting period or date of distribution, whichever is earlier). The \$50 unrealized gain must be reflected in the Adjustments section of the account.

B. FORMAT - The Account Summary form must be typed or computer generated.

Part 1 Beginning Assets - Assets listed in Parts 1 and 3 of the inventory, if filing a 1st account, and total assets on hand at the end of the prior accounting period, if filing a 2nd or subsequent account.

Part 2 Receipts - Itemize *chronologically*, by account, all interest, dividends, gross rental income, refunds, and other income received during the accounting period. See example below and note that all dividends must be listed individually.

ABC Bank Checking	Description	Amt	Subtotal	Total
3-1-09	Interest	\$8.50		
3-5-09	Virginia Natural Gas, Refund	\$30		
4-1-09	Interest	\$8.50		
5-15-09	IRS 2008 Tax refund	\$1,200		
			\$1,247	

ABC Brokerage	Description			
3-1-09	Interest	\$100		
3-5-09	Amazon dividend	\$25		
4-5-09	Pepsi dividend	\$100		
			\$225	
TOTAL				\$1,472

Part 3 Gains on Asset Sales – For sale of any asset in which a gain is realized, the itemized list must reflect the name of each asset, date of sale, total number of shares sold (if relevant), gross carrying value, gross sales price and the net gain.

3-1-09	ABC Corporation sale 300 shares		
	Carrying value (per inventory, if using carrying value, or prior account, if using market value)	\$15,000	
	Sale Price	\$15,500	
	GAIN		\$500
4-1-09	2009 Volvo XZ 90		
	Carrying Value	\$9,000	
	Sale Price	\$10,000	
	GAIN		\$1,000

For real property sold, list the sale date, property description, carrying value, gross sales price, and net gain. The costs of sale set forth on the settlement statement will be itemized in the Disbursements section of the account.

3-1-09	4 Cornwall St. Leesburg, VA		
	Carrying value (per inventory, if using carrying value, or prior account, if using market value)	\$250,000	
	Gross Sales Price	\$350,000	
	GAIN		\$100,000

For the sale of tangible personal property, show the sale date, description of the item, carrying value, gross sales price, and the net gain. Costs of sale, if any, should be reflected in the Disbursements section of the account (i.e. auctioneers fees).

3-1-09	Sale China Cabinet		
	Carrying value	\$750	
	Gross Sales Price	\$1,000	
	GAIN		\$250

Part 4 Adjustments – Recently discovered/purchased assets and the correction of previously incorrectly stated asset values, if new asset’s value or corrected asset’s increase in value is less than \$25,000. If the newly discovered/acquired asset or corrected asset’s totals more than \$25,000, an amended inventory must be filed.

3-1-09	After-discovered U.S. Savings Bond, # 2555, face \$500, maturity 5/1/20		\$500
3-1-09	Cardinal Check Account #1234		
	Incorrect Inventory Value	\$450	
	Correct value per bank statement	\$500	\$50
	ADJUSTMENT		\$550

Acquisition of additional principal assets:

3-1-09	Dominion Inc - 200 shares @ \$10/share	\$2,000	
	Commission	\$10	
	Gross Purchase Price		\$2,010

Part 6 Disbursements for Debts & Expenses - Itemize *chronologically* all disbursements by date and list check number, payee, and purpose of disbursement, including any expenses for sale of assets.

3/1/09	#100	Clerk of Circuit Court	Probate Tax	\$500
3/4/09	#101	EE Funeral Home	Funeral Service	\$3,000
3/9/09	#102	Virginia Power	Final Power Bill	\$60
5/6/09		ABC Realtors	Commission	\$6,000
5/6/09		Dominion Sock	Commission	\$10
5/6/09		Countrywide	1 st Deed of Trust	\$100,000
5/6/09		Loudoun County	Recording Fees	\$40
TOTAL				\$109,610

If a reimbursement is made to a 3rd party for expenses he or she paid on behalf of the estate, an itemization of all expenses underlying the reimbursement must be provided together with a receipt for each expense and the third party's canceled checks or credit card statements reflecting the payments.

1/1/16	Mary Johnson	Reimbursement		\$5,000
		Funeral Costs	\$3,000	
		Shipping Costs	\$ 500	
		Probate Tax/Qual Fee	\$1,500	

Part 7 Losses on Asset Sales – Same as Gains section of account above.

Part 8 Distribution to Beneficiaries – Itemize each distribution by date, asset description and value of the asset distributed.

Distribution	Beneficiary: Sally J. Doe	
7-6-09	House furnishings per Article II of will	\$ 500
7-6-09	Stamp Collection per Article III of will	\$ 2,000
11-01-09	Grandfather Clock per Article III of will	\$ 1,000
11-01-09	Check #110, 50% residual beneficiary	\$25,000
TOTAL		\$28,500

The fiduciary must provide a signed statement from the beneficiary acknowledging receipt of each item of tangible personal property distributed and the value thereof, as set forth on the account.

IMPORTANT NOTE: If a specific bequest of monetary funds is not paid to the beneficiary within 1 year from the decedent’s death, interest shall run at the legal rate (currently 6%) from 1 year after the date of death until the bequest is paid in full. (Virginia Code § 64.2-425). Said interest must be paid by the fiduciary personally, not with estate funds.

Part 9 Assets on Hand – Itemize each asset on hand at the end of the accounting period together with the market value (and carrying value, if different).

Assets on Hand 12-31-16	Carrying value	Market Value
Misc. Personal items	\$200	\$200
Diamond Ring (worth ≤ \$500)	\$2,000	\$2,000
China Cabinet (worth ≤ \$500)	\$750	\$750
Savings Bond, # 2555, face value \$500.00, maturity May 1, 2020	\$500	\$750
Cardinal Bank Checking Acct #1234	\$450	\$450
Apple CD #124 2.5% int. – matures 1/18	\$5,000	\$5,250
25 Shares XYZ Corp \$100 per share	\$2,500	\$3,000
XYZ Bond 6.75% int – Matures 1/18	\$5,000	\$5,250

Notes: Bank or brokerage statements, copies of promissory notes, Certificate of Deposit statements, titles to vehicles, etc. must be provided to verify the stated values.

- C. **CERTIFICATE OF ACCURACY AND COMPLETENESS.** A fiduciary is required to send a copy of the account to any person that has submitted a written request therefore prior to the time the account is filed with the Commissioner. If a written request has been made, the fiduciary must check block "A", affirming that a copy of the account was sent and list the name and address of each recipient on page 2 of the summary form.

ACCOUNT CHECKLIST - PLEASE USE AND FILE WITH THE ACCOUNT (EXHIBIT C).

FIDUCIARY COMPENSATION for EXECUTORS and ADMINISTRATORS of ESTATES

See attached Summary of Guidelines for Fiduciary Compensation (Exhibit D).

INSOLVENT ESTATES

If the debts of the estate, in aggregate, exceed the total value of the estate, the estate is deemed insolvent and all disbursements **MUST BE MADE IN ACCORDANCE WITH** Virginia Code § 64.2-528 to 64.2-530. The determination of priorities among competing claims is complex and **if the fiduciary makes a disbursement that is not in accordance with the noted code sections, he or she may be personally liable for the disbursement.** If a claim is filed against the estate, the Commissioner cannot approve the final account until written evidence of the claims' payment or satisfaction is provided. If the claim is disputed, the fiduciary may request a Debts and Demands Hearing (Virginia Code § 64.2-550).

DEBTS AND DEMANDS PROCEEDING - The fiduciary may request, in writing, that the Commissioner hold a proceeding for receiving debts and demands against an estate as provided in Virginia Code § 64.2-550. The fiduciary must provide written notice of the debts and demands hearing to all contested claimants via certified mail, return receipt requested, and submit evidence of the same to the Commissioner.

DISTRIBUTION OF ESTATE ASSETS - The fiduciary cannot be compelled to make any distribution prior to 6 months after the date of qualification. (Virginia Code § 64.2-554). However, distributions can be made any time after qualification without the Commissioner's prior approval.

EXHIBIT A

ESTATE ADMINISTRATION CHECKLIST*

Date of Probate:

Date of Qualification:

Tax Year for Estate Ends:

Estate Federal ID Number Applied for: (IRS Form SS-4):

Notice of Probate:

(due 30 days from qualification or probate)

Notice Affidavit to Clerk's Office:

(due 4 months from qualification or probate)

Spouse's Election for Share of Augmented Estate:

(due 6 months from date of qualification or probate, unless extended)

Inventory:

(due 4 months from qualification)

Decedent's Final Federal Income Tax Return:

(due April 15 – IRS Form 1040)

Decedent's Final State Income Tax Return:

(due May 1 - Va. Form 760)

Decedent's Final Gift Tax Return (if required):

(due April 15 – IRS Form 709)

Estate Tax Return:

(due 9 months from date of death – IRS Form 706)

First Federal Fiduciary Income Tax Return:

(due 15th day of 4th month after estate's fiscal tax year ends - IRS Form 1041)

Subsequent Federal Fiduciary Income Tax Returns:

(15th day of 4th month after tax year ends)

First Virginia Fiduciary Income Tax Return:

(due date same as federal – Va. Form 770)

Subsequent State Fiduciary Income Tax Returns:

(due date same as federal)

First Annual Accounting:

(due 16 months from date of qualification; covers first 12 months of administration)

Subsequent Annual Accountings:

(due 4 months after end of accounting year)

Debts and Demands Proceedings:

(circle Yes or No)

Request Proceeding: Yes / No

Notice of Hearing Published: Yes / No

Hearing on Debts and Demands: Yes / No

Commissioner Files Report with Court: Yes / No

File Show Cause Motion with Circuit Court: Yes / No

Set Date for Hearing on Show Cause Order: Yes / No

Publish Show Cause Order in Newspaper: Yes / No

Hearing on Show Cause Order: Yes / No

Present Order of Distribution for Judge’s Signature: Yes / No

Prepay Final Expenses and Distribute Remaining Estate Assets:

File Final Accounting Showing No Assets:

Final Federal Fiduciary Income Tax Return:

*Virginia Bar Association’s “Guide to the Administration of Decedent’s Estates in Virginia” 2015.

EXHIBIT B

INVENTORY CHECKLIST

- _____ Completed Inventory form with original signature(s), together with one copy.
- _____ Form is signed by each fiduciary – original signature(s) required. Please sign in blue ink.
- _____ Box “A” or “B” is marked on page 3. If box “A” is marked, page 4 must be completed and signed by each fiduciary (original signature(s) required).
- _____ Contact information is current, including an email address.
- _____ The name of each bank and/or brokerage account is reflected.
- _____ The last 4 digits of each bank and/or brokerage account number is listed (i.e., XXXX-1234).
- _____ Each asset in a brokerage account (i.e., name of stock/equity, number of shares and price per share) is listed separately. An additional page may be attached if necessary.
- _____ Joint holder(s) name(s) is listed for any account reflected in part 2 of the form, in addition to bank name and last four (4) digits of account number.
- _____ Street address or tax ID is reflected for any real property listed in part 3, 4 or 5 of the form.
- _____ Copy of the Last Will and Testament, if decedent died testate, is provided.
- _____ Date of birth for each beneficiary, if an age of distribution is referenced in the Will, is provided.
- _____ Copy of the Revocable Trust document, if any assets are distributed to a Revocable Trust, is provided.
- _____ Filing Fee included. Check should be made payable to the Commissioner of Accounts. We are unable to accept credit cards.

NOTE: You must file the “Affidavit of Notice” form with the probate office within thirty (30) days of qualification. If this form is not filed, the Commissioner of Accounts must issue a summons for the same.

EXHIBIT C

ESTATE ACCOUNT CHECKLIST

Account Summary Form

- _____ Completed with original signature(s) and one copy. Please sign in blue ink.
- _____ **Beginning Assets** match the Inventory value (if First Account) or Last Account Assets on Hand figure (if 2nd or subsequent account).
- _____ Lines 5 and 10 balance to the penny without any forced adjustments.
- _____ Itemized list provided for each figure on Account Summary Form.
- _____ **Receipts** listed by date, in chronological order, with description of credit and amount.
- _____ **Gains on Asset Sales** reflects the inventory/carrying value and gross sale price (number of shares & price per share) for each sale. List any fees in **Disbursements**.
- _____ **Adjustments** reflect the inventory/carrying value, the corrected/adjusted value together with the reason for the adjustment.
- _____ **Disbursements** are listed by date, in chronological order, together with the payee, description of charge, amount paid and check number, if any.
- _____ **Losses on Asset Sales** reflect the inventory/carrying value and gross sale price (number of shares & price per share) for each sale. List any fees in **Disbursements**.
- _____ **Distributions** are listed by date, in chronological order, and include payee and amount.
- _____ **Assets on Hand** reflect the inventory/carrying value and the fair market value for each asset. If it is a final account, there will be zero assets on hand.

ONE (1) set of backup documents to include:

- _____ Cancelled check or check image for each disbursement.
- _____ Bank and/or brokerage statements for all accounts listed on the Inventory from the date of death through the end of the accounting period or closing of the account(s).
- _____ Bank and/or brokerage statements for the Estate Account(s) for the duration of the accounting period.
- _____ Invoice, receipt or similar voucher for each disbursement.
- _____ Cancelled check or check image for any cash distribution or original signed receipt for any non-cash distribution.
- _____ Date of birth for each beneficiary, if an age of distribution is referenced in the Will.
- _____ Settlement Statement, if real estate was sold.
- _____ Copy of Revocable Trust document, if any assets distributed to a Revocable Trust, to confirm Trustee(s).
- _____ Filing Fee – check made payable to the Commissioner of Accounts. We are unable to accept credit cards.

EXHIBIT D

SUMMARY OF GUIDELINES FOR FIDUCIARY COMPENSATION for ESTATES

COMMISSIONER OF ACCOUNTS,
CIRCUIT COURT FOR COUNTY OF LOUDOUN, VIRGINIA
EFFECTIVE JULY 1, 2017

*If you have any questions regarding fiduciary compensation,
please contact the office of the Commissioner of Accounts at
703-777-5300 or coa@coaloudoun.com **BEFORE YOU TAKE A FEE.***

Fee Schedule Guideline*

Principal (One Time Fee calculated on the Inventory value)

5% of first \$400,000

4% of next \$300,000

3% of next \$300,000

2% over \$1,000,000

**Over \$10,000,000 – by agreement with the Commissioner
(consultation required)**

AND

Income (Taken Annually)

5% of income receipts (not including capital gains)

**The Commissioner of Accounts may deviate from these guidelines on a case-by-case basis if necessary to assure that each fiduciary receives “reasonable compensation” for services provided (Virginia Code § 64.2-1208 (A)).*

- The referenced fee schedule will be superseded if the Last Will and Testament clearly sets forth an alternative fiduciary compensation OR if all interested parties give informed consent and agreement, in writing, to an alternative compensation.
- The value of real property will be considered for fee purposes if the fiduciary sells the property AND the Will directed that fiduciary to sell the same. The value of real property may be considered for fee purposes if: 1) the sale is necessary to satisfy legal debts/obligations; 2) the sale is requested by all affected beneficiaries or devisees after being advised that the fiduciary will receive a fee for the same: or, 3) the Commissioner determines the sale is clearly in the best interests of the estate and the devisees or beneficiaries as a whole.

- Fees paid to an attorney, accountant, or other professional employed to perform duties that could and should be performed by the fiduciary, will be deducted from the stated compensation. “Reasonable fees” paid to attorneys, accountants, or other professionals for services reasonably necessary for the proper administration of the estate, that only a professional could provide, i.e. litigation, preparing tax returns, will not be deducted from the fiduciary’s compensation.

SUCCESSOR FIDUCIARIES FOR ESTATES

Where a fiduciary is succeeded by another, the annual fiduciary fee shall be pro-rated.

CO-FIDUCIARIES FOR ESTATES

One fee will be divided equally among the co-fiduciaries. The co-fiduciaries may agree among themselves on a different division.